A/72/13/Add.1

United Nations

Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

Programme budget 2018–2019

General Assembly
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Seventy-second Session
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A/72/13/Add.1

Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

Programme budget 2018–2019

United Nations • New York, 2017

Note

Symbols of United Nations documents are composed of letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

[12 October 2017]

Contents

Chapter		Page
I.	Introduction to the budget for the biennium 2018–2019	5
	A. Overall orientation	5
	B. Context	6
	C. Planning assumptions	6
	D. Budget structure	7
	E. Human resources	16
	F. Financial situation	18
	G. Funding status 2018–2019	19
II.	Subprogramme 1: Palestine refugee rights under international law are protected and promoted	22
	A. Current operations	22
	B. Constraints and challenges	22
	C. Expected accomplishments	23
	D. Financial resources	24
III.	Subprogramme 2: Palestine refugee health is protected and the disease burden is reduced	25
	A. Current operations	25
	B. Constraints and challenges	25
	C. Expected accomplishments	26
	D. Financial resources	27
IV.	Subprogramme 3: School-age children complete quality, equitable and inclusive basic education	28
	A. Current operations	28
	B. Constraints and challenges	29
	C. Expected accomplishments	29
	D. Financial resources	30
V.	Subprogramme 4: Palestine refugee capabilities are strengthened for increased livelihood opportunities	31
	A. Current operations	31
	B. Constraints and challenges	32
	C. Expected accomplishments	32
	D. Financial resources	33

VI. Subprogramme 5: Palestine refugees are able to meet their basic human needs of food, shelter and environmental health 34

A. Current operations 34

B. Constraints and challenges 35

C. Expected accomplishments 36

D. Financial resources 37

VII. Subprogramme 6: Effective and efficient governance and support 38

A. Management services goal 38

B. Building an ambitious relationship and fundraising approach 38

C. Strengthening management systems 38

D. Financial resources 39

Chapter I
Introduction to the budget for the biennium 2018–2019

A. Overall orientation

1. The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was established within the United Nations system as a subsidiary organ of the General Assembly in its resolution 302 (IV) of 8 December 1949 and became operational on 1 May 1950. Since then, UNRWA has adapted and enhanced its programmes to meet the increasingly complex needs of Palestine refugees and to provide them with a measure of protection and stability amid chronic conflict in the region. Currently, UNRWA is the main provider of basic services — education, health, relief and social services — to 5.75 million registered Palestine refugees in the Middle East. However, as explained later in chapter I, the Agency's chronic financial crisis poses risks to its operational stability, which is a matter of deep concern to the Agency and its stakeholders.

2. UNRWA reports directly to the General Assembly. Overall advice and support regarding Agency programmes and activities are provided to the Commissioner-General by the Advisory Commission, consisting of donors and host Governments.

3. The mission of UNRWA is to help Palestine refugees to achieve their full potential in human development. In line with that mission, as part of its medium-term strategy for the period 2016–2021, the Agency works towards five strategic outcomes: (a) Palestine refugee rights under international law are protected and promoted; (b) Palestine refugee health is protected and the disease burden is reduced; (c) school-age children complete quality, equitable and inclusive basic education; (d) Palestine refugee capabilities are strengthened for increased livelihood opportunities; and (e) Palestine refugees are able to meet their basic human needs of food, shelter and environmental health. Progress towards those objectives will drive UNRWA operations during the biennium 2018–2019.

4. To bring about the five strategic outcomes, which are aligned with the Sustainable Development Goals, UNRWA will maintain and improve the provision of education and health services, relief and social support, microfinance services, infrastructure and camp improvement within refugee camps, and protection, for registered Palestine refugees in Jordan, Lebanon, the Syrian Arab Republic, the West Bank and the Gaza Strip, a population that is projected to exceed 6 million by the end of 2019.

5. The Agency also provides emergency assistance to more than 1.5 million Palestine refugees in acute distress as a result of armed conflict in the occupied Palestinian territory and in the Syrian Arab Republic. UNRWA will continue to provide such services, as necessary, and on an exceptional and temporary basis, services to non-refugees currently displaced and in serious need of continued assistance, as mandated by the General Assembly in its resolutions 2252 (ES-V) and 68/77.

6. UNRWA will continue its efforts to mainstream protection and gender into its activities.

B. Context

7. The Middle East is experiencing significant political, social and economic changes. Instability and, in some cases, active conflict are expected to characterize the macroenvironment for the biennium.

8. While a peaceful, comprehensive and durable solution to the Israeli-Palestinian conflict that includes a final resolution of the plight of Palestine refugees is unlikely during the biennium, the United Nations will remain engaged actively with all relevant actors in an effort to sustain the peace process.

C. Planning assumptions

9. The assumptions on which the medium-term strategy for the period 2016–2021 was developed have so far proven to be accurate and are likely to remain so during the biennium 2018–2019. Those assumptions are summarized in the present section.

10. The illegal blockade of the Gaza Strip will continue and it will remain one of the weakest economies in the world. The majority of the population will be pushed further into poverty. Environmental and resource concerns will pose an increasing existential threat to Gaza as a liveable place.

11. In the West Bank,[1] protection challenges as a result of the occupation will continue to affect the daily life of all Palestinians, including refugees. The economy is expected to remain stagnant, contributing to high rates of unemployment and poverty.

12. The conflict in the Syrian Arab Republic will continue, with devastating consequences for all civilians. Damage to the economic environment and essential infrastructure will further increase dependence on UNRWA. In the unlikely event of a halt to all violence, the widespread damage to homes and to health and education infrastructure will require a considerable reconstruction effort.

13. Lebanon's stability is likely to remain adversely affected by the ongoing conflict in the Syrian Arab Republic and the 1.2 million Syrian refugees it is hosting.

14. Jordan will continue to host millions of refugees, whether they are Palestine refugees or refugees from the Syrian Arab Republic and Iraq. Heightened external security threats are expected to continue to pose a risk of internal conflict. Nonetheless, Jordan has always enjoyed strong and steady levels of peace and security above all other UNRWA fields of operations.

15. Projections suggest that the total population registered by UNRWA will increase from 5.75 million in 2016 to 6.46 million in 2021. Growth rates will vary between fields, with the fastest growth expected in Gaza. In 2021 there will also be an estimated 1.66 million women of reproductive age (15–49 years of age) of whom about 334,000 will utilize UNRWA services. In 2021 about 470,000 refugees will be 3 years of age or younger. An estimated 1.1 million Palestine refugees will be of school age — half of whom are expected to be attending UNRWA schools. From 2012 to 2021, the number of Palestine refugee youth is estimated to increase from 1.04 million to 1.08 million. In 2021 the number of Palestine refugees 60 years of age and older is estimated to reach 804,000, an increase from 656,000 in 2012. The number of poor people is expected to increase from 1.63 million (2012) to 2.17 million (2021), of whom 566,000 will be abject poor. Excluding refugees

[1] All references to the West Bank in the present report include East Jerusalem.

ordinarily resident in the Syrian Arab Republic, the population of refugee camps is expected to be approximately 916,000 in 2021, of whom approximately 145,000 are expected to be living in 33,800 substandard shelters.

16. Palestine refugees will continue to face a human development crisis. Levels of food insecurity and poverty are high and increasing, in particular in Palestine refugee camps and gatherings. Rates of youth unemployment, especially affecting female youth, are alarming. Despite the fact that Palestine refugees have strong human capital as a result of the education and health structures provided by UNRWA and host authorities, the majority of refugees do not have access to the full range of assets required for sustainable livelihoods.

D. Budget structure

17. The Agency's programme budget is aligned with the strategic outcomes in the medium-term strategy for the period 2016–2021 and the approved unified framework structure for the biennium 2018–2019 (A/71/6 (Prog. 22)), which was used for the budget fascicle for the biennium.

18. In compliance with regulation 9.2 of the updated Financial Regulations of UNRWA, which comply with the International Public Sector Accounting Standards (IPSAS), with effect from 1 January 2012, the biennial budget is presented in accordance with modified cash basis principles under the United Nations system accounting standards.

19. In its resolution 3331 B (XXIX), the General Assembly decided that the expenses for salaries of international staff in the service of UNRWA which would otherwise be a charge on voluntary contributions should with effect from 1 January 1975 be financed by the regular budget of the United Nations for the duration of the Agency's mandate (see figure I).

20. In July 2016 UNRWA initiated an operational planning project focused on delivery of its subprogramme structure. Subprogrammes are the building blocks of UNRWA programmes, including projects, and are used to identify detailed activities and related expenditure within programmes. The purpose of the subprogramme structure review is:

(a) Reflection of appropriate programmatic strategic outcomes;

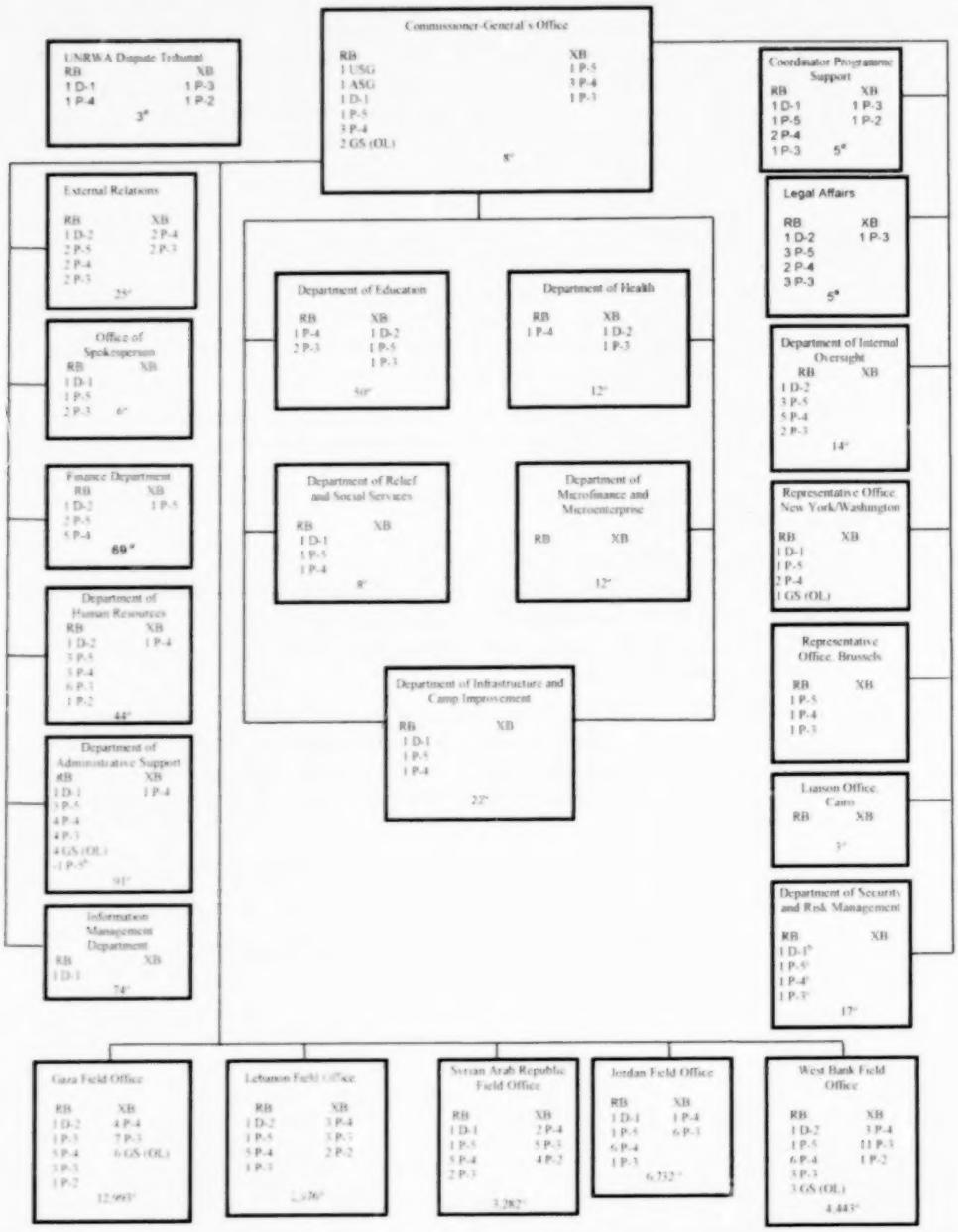
(b) Agency-wide consistency in the use of the subprogramme structure;

(c) Consolidation of donor intervention with the programme structure.

This project was finalized in early 2017.

Figure I

United Nations Relief and Works Agency for Palestine Refugees in the Near East structure and post distribution for the biennium 2018–2019


UNRWA Dispute Tribunal
RB: 1 D-1, 1 P-4
XB: 1 P-3, 1 P-2
3[a]
Commissioner-General's Office
RB: 1 USG, 1 ASG, 1 D-1, 1 P-5, 3 P-4, 2 GS (OL)
XB: 1 P-5, 3 P-4, 1 P-3
8[a]
Coordinator Programme Support
RB: 1 D-1, 1 P-5, 2 P-4, 1 P-3
XB: 1 P-3, 1 P-2
5[a]
External Relations
RB: 1 D-2, 2 P-5, 2 P-4, 2 P-3
XB: 2 P-4, 2 P-3
25[a]
Legal Affairs
RB: 1 D-2, 3 P-5, 2 P-4, 3 P-3
XB: 1 P-3
5[a]
Office of Spokesperson
RB: 1 D-1, 1 P-5, 2 P-3
XB
6[a]
Department of Education
RB: 1 P-4, 2 P-3
XB: 1 D-2, 1 P-5, 1 P-3
510[a]
Department of Health
RB: 1 P-4
XB: 1 D-2, 1 P-3
12[a]
Department of Internal Oversight
RB: 1 D-2, 3 P-5, 5 P-4, 2 P-3
XB
14[a]
Finance Department
RB: 1 D-2, 2 P-5, 5 P-4
XB: 1 P-5
69[a]
Department of Relief and Social Services
RB: 1 D-1, 1 P-5, 1 P-4
XB
8[a]
Department of Microfinance and Microenterprise
RB
XB
12[a]
Representative Office, New York/Washington
RB: 1 D-1, 1 P-5, 2 P-4, 1 GS (OL)
XB
Department of Human Resources
RB: 1 D-2, 5 P-5, 5 P-4, 6 P-3, 1 P-2
XB: 1 P-4
44[a]
Representative Office, Brussels
RB: 1 P-5, 1 P-4, 1 P-3
XB
Department of Infrastructure and Camp Improvement
RB: 1 D-1, 1 P-5, 1 P-4
XB
22[a]
Department of Administrative Support
RB: 1 D-1, 1 P-5, 4 P-4, 4 P-3, 4 GS (OL), 1 P-3[b]
XB: 1 P-4
91[a]
Liaison Office, Cairo
RB
XB
5[a]
Information Management Department
RB: 1 D-1
XB
74[a]
Department of Security and Risk Management
RB: 1 D-1[b], 1 P-5[b], 1 P-4[c], 1 P-3[c]
XB
17[a]
Gaza Field Office
RB: 1 D-2, 1 P-5, 5 P-4, 3 P-3, 1 P-2
XB: 4 P-4, 7 P-3, 6 GS (OL)
12 993[a]
Lebanon Field Office
RB: 1 D-2, 1 P-5, 5 P-4, 1 P-3
XB: 3 P-4, 3 P-3, 2 P-2
2 436[a]
Syrian Arab Republic Field Office
RB: 1 D-1, 1 P-5, 5 P-4, 2 P-3
XB: 2 P-4, 5 P-3, 4 P-2
3 282[a]
Jordan Field Office
RB: 1 D-1, 1 P-5, 6 P-4, 1 P-3
XB: 1 P-4, 6 P-3
6 732[a]
West Bank Field Office
RB: 1 D-2, 1 P-5, 6 P-4, 3 P-3, 3 GS (OL)
XB: 3 P-4, 11 P-3, 1 P-2
4 443[a]

Abbreviations: RB, regular budget; XB, extrabudgetary; GS (OL), General Service (Other level); USG, Under-Secretary-General; ASG, Assistant Secretary-General.

Note: There are 80 international posts that are funded through extrabudgetary resources.

[a] National posts.

[b] Post reclassification.

[c] New posts.

Table 1

Programme budget for the biennium 2018–2019

A. Summary of 2018–2019 Agency-wide total budget by subprogramme

(Thousands of United States dollars)

	Fiscal year 2018					*Fiscal year 2019*					*Biennium 2018–2019*				
	Programme budget					*Programme budget*					*Programme budget*				
Subprogramme	*Cash*[a]	*In-kind*	*Total*	*Project budget*	*Total*	*Cash*[a]	*In-kind*	*Total*	*Project budget*	*Total*	*Cash*[a]	*In-kind*	*Total*	*Project budget*	*Total*
Palestine refugee rights under international law are protected and promoted	7 566	5	7 571	5 042	12 613	7 617	6	7 623	5 669	13 292	15 183	11	15 194	10 711	25 905
Palestine refugee health is protected and the disease burden is reduced	115 738	3 881	119 619	29 524	149 143	117 350	3 889	121 239	12 562	133 801	233 088	7 770	240 858	42 086	282 944
School-age children complete quality, equitable and inclusive basic education	413 126	739	413 865	36 838	450 703	428 188	759	428 947	24 650	453 597	841 314	1 498	842 812	61 488	904 300
Palestine refugee capabilities are strengthened for increased livelihood opportunities	27 937	800	28 737	10 384	39 121	28 404	819	29 223	10 100	39 323	56 341	1 619	57 960	20 484	78 444
Palestine refugees are able to meet their basic human needs of food, shelter and environmental health	56 736	207	56 943	259 994	316 937	57 262	209	57 471	235 808	293 280	113 998	416	114 414	495 802	610 216
Effective and efficient governance and support	190 545	1 353	191 898	9 640	201 538	205 828	1 359	207 187	5 351	212 538	396 373	2 712	399 085	14 991	414 076
Total goal requirements	**811 648**	**6 985**	**818 633**	**351 422**	**1 170 055**	**844 649**	**7 041**	**851 690**	**294 140**	**1 145 831**	**1 656 297**	**14 026**	**1 670 323**	**645 562**	**2 315 885**
Contingency reserve	7 025		7 025		7 025	7 025		7 025		7 025	14 050	–	14 050	–	14 050
Total other requirements	**7 025**	–	**7 025**	–	**7 025**	**7 025**	–	**7 025**	–	**7 025**	**14 050**	–	**14 050**	–	**14 050**
Total resource requirements	**818 673**	**6 985**	**825 658**	**351 422**	**1 177 080**	**851 674**	**7 041**	**858 715**	**294 140**	**1 152 855**	**1 670 347**	**14 026**	**1 684 373**	**645 562**	**2 329 935**

[a] Includes the cost of proposed three additional international posts and one reclassification to be funded by United Nations assessed contributions during the biennium 2018–2019.

B. Summary of 2018–2019 Agency-wide total budget by programme

(Thousands of United States dollars)

	Fiscal year 2018					Fiscal year 2019					Biennium 2018–2019				
	Programme budget			Project budget	Total	Programme budget			Project budget	Total	Programme budget			Project budget	Total
	Cash	In-kind	Total			Cash	In-kind	Total			Cash	In-kind	Total		
Education programme	442 480	2 058	444 538	45 722	490 260	458 248	2 096	460 344	33 250	493 594	900 728	4 154	904 882	78 972	983 854
Health programme	118 973	4 447	123 420	29 524	152 944	120 677	4 456	125 133	12 563	137 696	239 650	8 903	248 553	42 087	290 640
Relief and social services programme	71 791	225	72 016	1 955	73 971	85 865	228	86 093	1 700	87 793	157 656	453	158 109	3 655	161 764
Infrastructure and camp improvement programme	53 870	4	53 874	260 739	314 613	54 448	4	54 452	236 108	290 560	108 318	8	108 326	496 847	605 173
Protection programme	5 21		5 219	5 862[a]	11 049	5 222		5 222	5 051	10 273	10 441	–	10 441	10 875	21 316
Executive direction	34 914	231	35 145	2 916	38 061	35 064	237	35 301	–	35 301	69 978	468	70 446	2 916	73 362
Support departments	84 401	20	84 421	4 742	89 163	85 125	20	85 145	5 468	90 613	169 526	40	169 566	10 210	179 776
Total programme requirements	**811 648**	**6 985**	**818 633**	**351 422**	**1 170 055**	**844 649**	**7 041**	**851 690**	**294 140**	**1 145 830**	**1 656 297**	**14 026**	**1 670 323**	**645 562**	**2 315 885**
Contingency reserve	7 025	–	7 025	–	7 025	7 025	–	7 025	–	7 025	14 050	–	14 050	–	14 050
Total other requirements	**7 025**	**–**	**7 025**	**–**	**7 025**	**7 025**	**–**	**7 025**	**–**	**7 025**	**14 050**	**–**	**14 050**	**–**	**14 050**
Total resource requirements	**818 673**	**6 985**	**825 658**	**351 422**	**1 177 080**	**851 674**	**7 041**	**858 715**	**294 140**	**1 152 855**	**1 670 347**	**14 026**	**1 684 373**	**645 562**	**2 329 935**

[a] Includes the cost of proposed three additional international posts and one reclassification to be funded by United Nations assessed contributions during the biennium 2018–2019.

Table 2
Programme budget requirements by field office and headquarters

(Cash and in kind, thousands of United States dollars)

Field office/headquarters	*2016 expenditure*	*2017 budget*	*2018 estimate*[a]	*2019 estimate*[a]
Gaza Strip	234 975	248 236	293 266	306 858
Lebanon	91 419	92 510	131 542	132 240
Syrian Arab Republic	27 009	61 340	50 994	51 613
Jordan	127 328	143 897	155 118	171 050
West Bank	105 081	113 106	124 739	126 700
Headquarters	62 407	76 667	62 976	63 229
Education programme	2 347	3 052	2 960	2 992
Health programme	1 026	1 232	1 278	1 293
Relief and social services programme	1 041	27 452[b]	1 400	1 405
Infrastructure and camp improvement programme	1 300	1 693	1 679	1 698
Protection programme	97		4 950	4 951
Executive direction	15 584	16 777	21 462	21 476
Support departments	41 012	26 460	29 245	29 414
Subtotal	**648 220**	**735 757**	**818 633**	**851 690**
Contingency reserve			7 025	7 025
Subtotal	–	–	**7 025**	**7 025**
Total resource requirements	**648 220**	**735 757**	**825 658**	**858 715**

[a] Includes the cost of proposed three additional international posts and one reclassification to be funded by United Nations assessed contributions during the biennium 2018–2019.

[b] Includes social safety net programme food reserve of $26 million in 2017.

Figure II
Programme budget by field office and headquarters

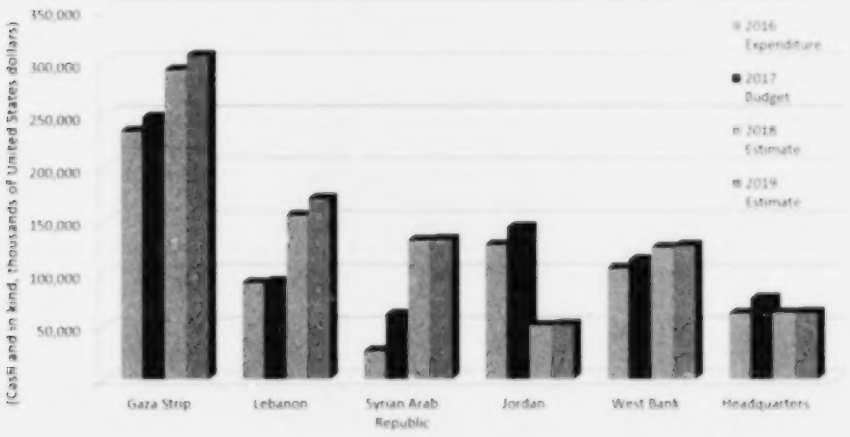


Table 3
Programme budget requirements by resources

(Cash and in kind, thousands of United States dollars)

Resource	*2016 expenditure*	*2017 budget*	*2018 estimate*[a]	*2019 estimate*[a]
Staff costs				
International staff	28 090	32 028	40 046	40 046
Area staff	460 626	515 379	579 066	598 280
Limited duration contract	1 175	2 563	1 204	1 205
Temporary staff	15 859	8 744	7 665	7 664
Subtotal, staff costs	**505 751**	**558 714**	**627 981**	**647 196**
Operational costs				
Supplies[b]	52 509	83 863	52 101	52 112
Utilities	6 407	6 559	6 168	6 168
Maintenance of premises	9 282	10 167	30 560	30 596
Equipment and construction	5 400	12 846	5 911	5 920
Training	534	1 511	1 476	1 476
Travel	1 708	2 268	1 881	1 881
Administrative support services	6 179	6 232	5 347	5 347
Consultancy services	3 189	2 543	2 695	2 695
Hospital services	30 379	29 445	29 269	29 269
Miscellaneous services	12 394	14 251	13 086	13 086
Subsidies to hardship cases[c]	17 668	9 328	43 670	57 457
Third parties subsidies	717	71	2 612	2 612
Other subsidies	168	362	235	235
Cost recovery	(4 064)	(2 405)	(4 359)	(4 360)
Subtotal operational costs	**142 469**	**177 043**	**198 652**	**204 494**
Total staff and operational costs	**648 220**	**735 757**	**818 633**	**851 690**
Contingency reserve			7 025	7 025
Subtotal	**–**	**–**	**7 025**	**7 025**
Total resource requirements	**648 220**	**735 757**	**825 658**	**858 715**

[a] Includes the cost of proposed three additional international posts and one reclassification to be funded by United Nations assessed contributions during the biennium 2018–2019.

[b] Includes social safety net programme food reserve of $26 million in 2017.

[c] Increase in budget from 2017 to 2018 is due to change in policy (from food supplies to cash for food modality) in the Lebanon, Jordan and West Bank field offices.

Figure III
Programme budget by resources

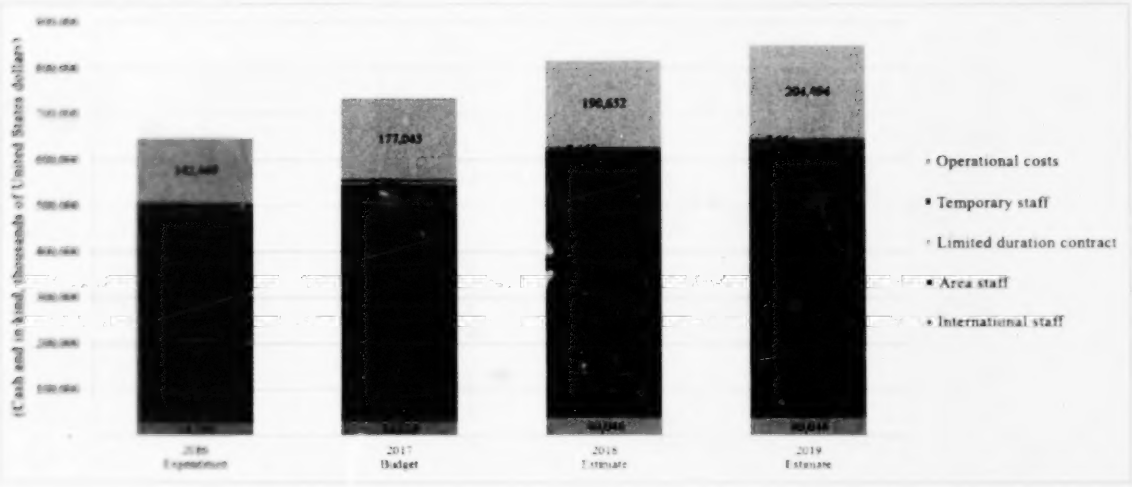


Table 4
A. Project budget by subprogramme and field office/headquarters for 2018
(Thousands of United States dollars)

Subprogramme	*Gaza Strip*	*Lebanon*	*Syrian Arab Republic*	*Jordan*	*West Bank*	*Headquarters*	*Total*
Palestine refugee rights under international law are protected and promoted	–	–	–	–	930	4 112	5 042
Palestine refugee health is protected and disease burden is reduced	12 091	1 233	2 875	2 292	232	10 801	29 524
School-age children complete quality, equitable and inclusive basic education	21 585	4 814	839	5 343	1 100	3 157	36 838
Palestine refugee capabilities are strengthened for increased livelihood opportunities	105	1 627	863	2 766	290	4 733	10 384
Palestine refugees are able to meet their basic human needs of food, shelter and environmental health	181 060	58 548	39	10 004	10 343	–	259 994
Effective and efficient governance and support	46	2 228	323	1 426	138	5 479	9 640
Total	**214 887**	**68 450**	**4 939**	**21 831**	**13 033**	**28 282**	**351 422**

Figure IV

A. Project budget by subprogramme and field office/headquarters for 2018

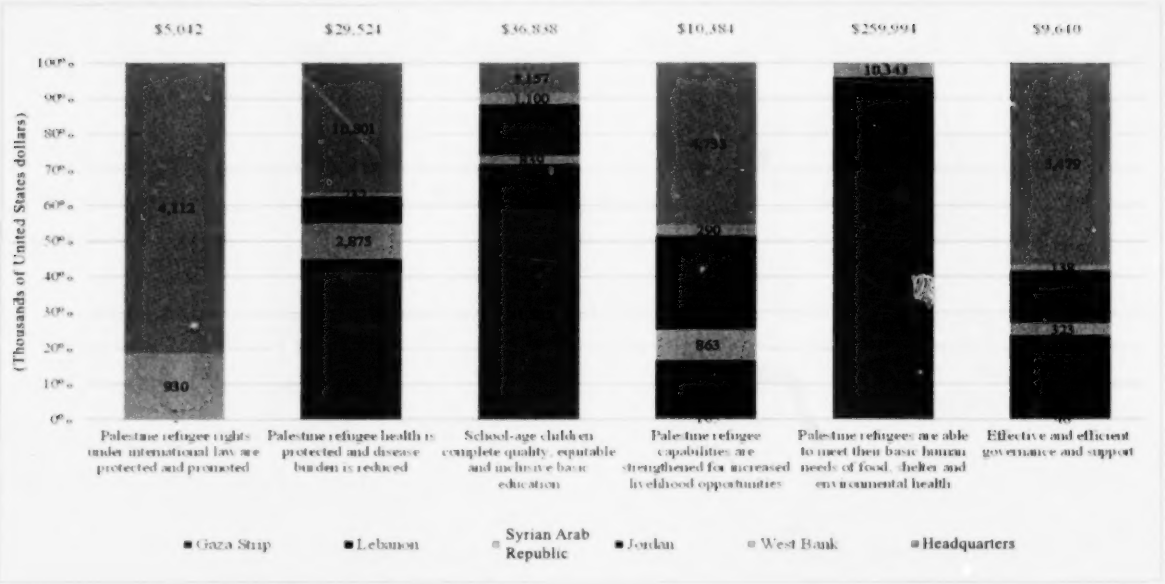


Table 4

B. Project budget by subprogramme and field office/headquarters for 2019

(Thousands of United States dollars)

Subprogramme	*Gaza Strip*	*Lebanon*	*Syrian Arab Republic*	*Jordan*	*West Bank*	*Headquarters*	*Total*
Palestine refugee rights under international law are protected and promoted	–	–	–	–	611	5 058	5 669
Palestine refugee health is protected and disease burden is reduced	4 650	–	–	1 200	–	6 712	12 562
School-age children complete quality, equitable and inclusive basic education	18 170	2 500	–	583	–	3 397	24 650
Palestine refugee capabilities are strengthened for increased livelihood opportunities	–	1 700	1 500	3 000	–	3 900	10 100
Palestine refugees are able to meet their basic human needs of food, shelter and environmental health	171 094	55 236	–	4 686	4 792	–	235 808
Effective and efficient governance and support	–	700	–	1 351	–	3 300	5 351
Total	**193 914**	**60 136**	**1 500**	**10 820**	**5 403**	**22 367**	**294 140**

Figure IV

B. Project budget by subprogramme and field office/headquarters for 2019

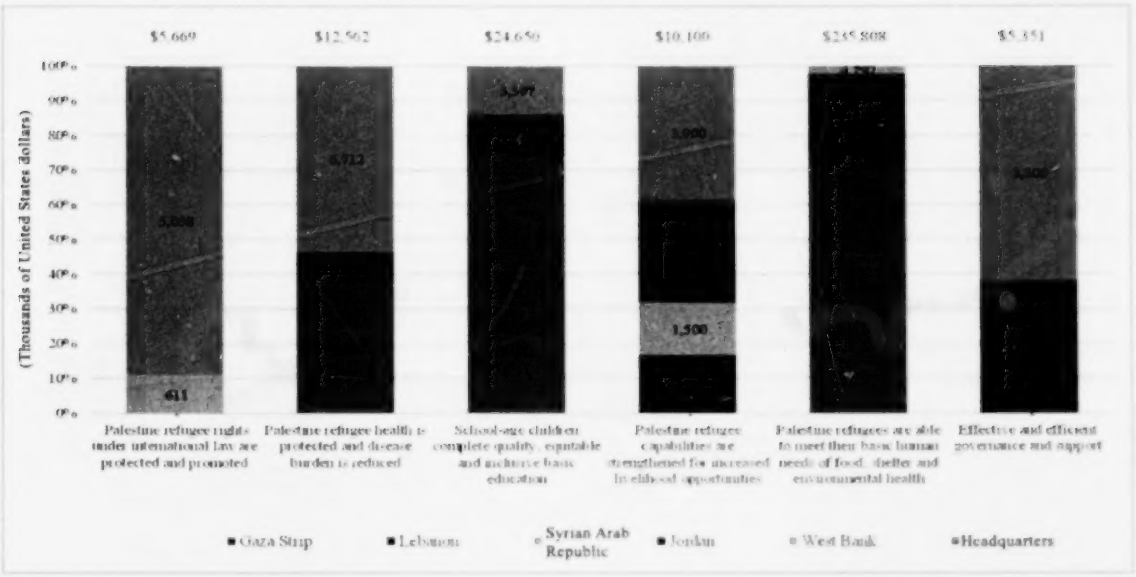


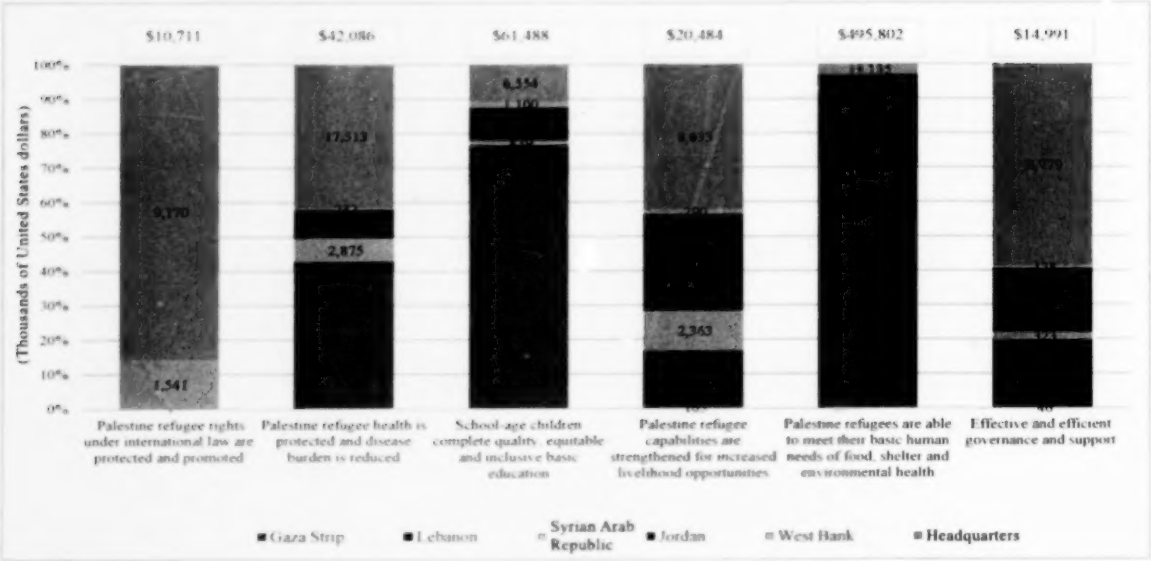
Table 4

C. Biennial project budget by subprogramme and field office/headquarters

(Thousands of United States dollars)

Subprogramme	*Gaza Strip*	*Lebanon*	*Syrian Arab Republic*	*Jordan*	*West Bank*	*Headquarters*	*Total*
Palestine refugee rights under international law are protected and promoted	–	–	–	–	1 541	9 170	10 711
Palestine refugee health is protected and disease burden is reduced	16 741	1 233	2 875	3 492	232	17 513	42 086
School-age children complete quality, equitable and inclusive basic education	39 755	7 314	839	5 926	1 100	6 554	61 488
Palestine refugee capabilities are strengthened for increased livelihood opportunities	105	3 327	2 363	5 766	290	8 633	20 484
Palestine refugees are able to meet their basic human needs of food, shelter and environmental health	352 154	113 784	39	14 690	15 135	–	495 802
Effective and efficient governance and support	46	2 928	323	2 777	138	8 779	14 991
Total	**408 801**	**128 586**	**6 439**	**32 651**	**18 436**	**50 649**	**645 562**

Figure IV
C. Biennial project budget by subprogramme and field office/headquarters



E. Human resources

21. In order to deliver its core programmes and projects, the Agency employs international and area staff.

22. In compliance with resolution 3331B (XXIX), during the biennium 2016–2017, 155 international staff posts were funded from United Nations assessed contributions. UNRWA has sought an increase in that number.

23. UNRWA proposed to establish three posts (1 Chief, Analysis and Security Training (P-5), 1 Senior Security Trainer (P-4), 1 Security and Risk Analyst (P-3) in the Department of Security and Risk Management, Amman).

24. In addition, 80 international staff posts are funded from extrabudgetary resources, with 4 posts funded by partnership arrangements 2 posts funded by the United Nations Educational, Scientific and Cultural Organization (UNESCO), 2 posts funded by the World Health Organization (WHO) and 1 post funded by the provident fund.

Table 5
International staffing requirements, 2018-2019

Post grade	*United Nations programme budget*[a]	*Extrabudgetary resources*
Professional and higher		
Under-Secretary-General	1	–
Assistant Secretary-General	1	–
D-2	8	2
D-1	12	0
P-5	28	3
P-4/P-3	96	60
P-2/P-1	2	9
Subtotal	**148**	**74**
General Service	10	6
Subtotal	**10**	**6**
Total	**158**	**80**

[a] Includes the cost of proposed three additional international posts and one reclassification to be funded by United Nations assessed contributions during the biennium 2018–2019

25. Programmes are delivered primarily through 30,148 local ("area") staff members as at 31 December 2017. It will be necessary to increase that number to 30,889 staff members by the end of 2019 because of the need to employ more teachers in the Gaza field to accommodate an annual increase of 10,000 students.

Table 6
A. Estimated number of area staff as at 31 December 2019 by programme

	Gaza	*Lebanon*	*Syrian Arab Republic*	*Jordan*	*West Bank*	*Headquarters*	*Total*
Education programme	10 671	1 948	2 415	5 257	2 747	50	23 088
Health programme	965	372	380	722	748	12	3 199
Relief and social services programme	202	110	84	108	160	8	672
Infrastructure and camp improvement programme	518	231	122	296	247	22	1 436
Protection programme	–	43	–	–	–	1	44
Executive direction	29	64	41	96	65	72	367
Support departments	608	208	240	253	476	298	2 083
Total	**12 993**	**2 976**	**3 282**	**6 732**	**4 443**	**463**	**30 889**

Table 6
B. Estimated number of area staff as at 31 December 2019 by subprogramme

	Gaza	*Lebanon*	*Syrian Arab Republic*	*Jordan*	*West Bank*	*Headquarters*	*Total*
Subprogramme 1. Palestine refugee rights under international law are protected and promoted	33	14	15	27	36	1	**126**
Subprogramme 2. Palestine refugee health is protected and disease burden is reduced	931	352	365	711	722	–	**3 081**
Subprogramme 3. School-age children complete quality, equitable and inclusive basic education	10 519	1 786	2 249	4 881	2 432	–	**21 867**
Subprogramme 4. Palestine refugee capabilities are strengthened for increased livelihood opportunities	242	137	149	312	335	12	**1 187**
Subprogramme 5. Palestine refugees are able to meet their basic human needs of food, shelter and environmental health	460	266	140	340	278	–	**1 484**
Subprogramme 6.[a] Effective and efficient governance and support	808	421	364	461	640	450	**3 144**
Total	**12 993**	**2 976**	**3 282**	**6 732**	**4 443**	**463**	**30 889**

[a] All programme-management staff is reported under subprogramme 6.

F. Financial situation

26. The financial insecurity of UNRWA has been a matter of long-standing concern to the General Assembly. In recent years, the Agency's financial crises have worsened dramatically. Its reserves have long been depleted and repeated stopgap measures — from suspension of vendor payments to borrowing from the Central Emergency Response Fund — do not offer sustainable recourse.

27. About 93 per cent of UNRWA core funding is contributed on a voluntary basis. Roughly 3 per cent of the funding is received from the United Nations programme budget. Donors give generously, but voluntary contributions have not been predictable, sustained or sufficient over time to meet increasing refugee needs.

28. Amid severe financial crises in recent years, UNRWA implemented robust and far-reaching internal measures to contain costs and reduce funding shortfalls while, at the same time, taking all measures considered possible to protect and improve the quality and availability of core programmes. The Commissioner-General continues to appeal to stakeholders to uphold their responsibilities towards the refugees.

29. In 2015 UNRWA presented a zero-growth operational programme budget for 2016 and, in late 2016, the Agency presented a programme budget for 2017 which identified minimum operational expenditure requirements of $715 million[2] — of total cash requirements amounting to $760 million — a figure that was $81 million less than forecasted had the expenditure trends in 2011–2014 continued. The reduction in growth of the programme budget in 2015 and 2016 was due to management measures taken by the Agency to become more efficient while preserving (or, in fact, improving) the quality and breadth of services.

[2] UNRWA requires $760 million in contributions to its programme budget in 2017 to run programmes to a level that will enable it to deliver on strategic objectives; $715 million is the minimum amount required to maintain current levels of operation.

30. Despite those efforts, UNRWA financing has remained insecure. In August 2015 UNRWA was days away from a temporary suspension of education for 500,000 students, sparking high-level reactions from host countries alarmed at the potential impact on national security. In late 2016 the Agency resorted to a Central Emergency Response Fund loan of $20 million to ensure that core operations could continue for the refugees. The Agency commenced 2017 with income projections to its programme budget for 2017 that were $115 million below its minimum operating requirements and $160 million below the amounts required to deliver results demanded by the medium-term strategy. The forecasted income for emergency appeals amounts to $320 million, against minimum operational requirements of $400 million, which result in an updated shortfall of $80 million. For projects, forecasted income amounts to $150 million, with minimum operational requirements of $250 million.

31. In an effort to address the Agency's financial situation decisively, on 6 December 2016, in paragraph 32 of its resolution 71/93, the General Assembly requested the Secretary-General to facilitate broad consultations with Member States to ensure that the Agency's funding is sufficient, predictable and sustained for the duration of its mandate.

32. In his report (A/71/849), the Secretary-General urged Member States to work on a series of measures aimed at generating sufficient, sustained and predictable funding for the Agency's operations and in support of Palestine refugees. The Secretary-General considered the importance of voluntary contributions, the potential for more support from the United Nations programme budget, the potential for UNRWA to access financial mechanisms administered by international financial institutions and other multilateral funding opportunities, and the potential for greater support from, among others, the private sector and the Palestinian diaspora.

33. In 2017 UNRWA and its partners, through concerted efforts, have begun to explore all means feasible to implement the recommendations contained in the aforementioned report of the Secretary-General, with considerable progress made on several of them, specifically, with the World Bank and the Organization of Islamic Cooperation.

Table 7
Funding status of the Agency, 2017
(Millions of United States dollars)

	Programme budget	*Projects*	*Emergency appeal*
Income forecast	600	150[a]	320[a]
Budget	760	250	813[b]
Funding gap	**(160)**	**(100)**	**(493)**
Minimum operational requirements	715	250	400
Updated shortfall	(115)	(100)	(80)

[a] Represents confirmed pledges as at May 2017.
[b] Represents the total requirements for the $402 million occupied Palestinian territory emergency appeal and the $411 million Syrian Arab Republic appeal.

G. Funding status 2018–2019

34. Current projections of income and expenditure, shown in table 8, indicate a funding gap for the programme cash budget of $144.0 million and $161.4 million in 2018 and 2019, respectively. The gap results from lower income (based on

indicative estimates from donors and interest income) of $674.7 million and $684.7 million, compared with budgeted expenditure of $818.7 million and $846.1 million in 2018 and 2019, respectively. Without additional contributions, the Agency will be unable to fully implement budgeted activities.

Table 8
Expected funding status of the Agency — programme budget, 2018–2019

(Millions of United States dollars)

	2018	*2019*
Projected income	674.7	684.7
Programme budget	(818.7)	(851.7)
Funding gap	**(144.0)**	**(167.0)**

35. Projected income by donor for 2018 and 2019 is shown in table 9.

Table 9
Income projections for the programme budget, 2018–2019

(Thousands of United States dollars)

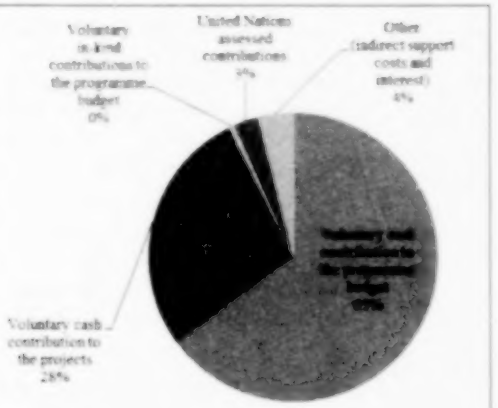
Donor	*Income forecast 2018*	*Income forecast 2019*
United States of America	152 272	152 272
European Union	114 222	114 222
Sweden	47 532	47 532
United Kingdom	42 526	42 526
Japan	29 145	29 145
Saudi Arabia	22 000	22 000
Switzerland	19 507	19 507
United Arab Emirates	16 443	16 443
Norway	13 321	13 321
Australia	14 914	14 914
Canada	14 837	14 837
Netherlands	14 558	14 558
Denmark	10 531	10 531
Germany	10 078	10 078
France	9 087	9 087
Italy	7 391	7 391
Belgium (including Flanders)	7 167	7 167
Luxembourg	5 039	5 039
Finland	5 039	5 039
Ireland	4 479	4 479
Spain (including regional governments)	2 534	2 534
Austria	2 016	2 016
Kuwait	2 000	2 000
Russian Federation	2 000	2 000
Turkey	1 500	1 500
Other donor income	25 000	35 000
Subtotal	**595 138**	**605 138**

Donor	*Income forecast 2018*	*Income forecast 2019*
Indirect support costs	45 000	45 000
International staff funded through assessed contributions	33 979	33 976
Interest	600	600
Total	**674 717**	**684 714**

36. Figure V shows the expected sources of funding of the Agency's total budget estimates for 2018 and 2019, for programmes and projects.

Figure V
Budget funding, 2018–2019
(Thousands of United States dollars)

Voluntary cash contribution to the programme budget	1 513 859
Voluntary cash contribution to the projects	645 562
Voluntary in-kind contributions to the programme budget	14 026
United Nations assessed contributions	65 288
Other (indirect support costs recoveries and interest)	91 200
Total	**2 329 935**


Voluntary in-kind contributions to the programme budget 0%
United Nations assessed contributions 3%
Other (indirect support costs and interest) 4%
Voluntary cash contribution to the projects 28%

37. The funding of 158 international posts (including the proposed three additional international posts to be funded by United Nations assessed contributions during the biennium 2018–2019) accounts for 3 per cent annually of the total budget volume, with a further 4 per cent derived from the following sources:

(a) Interest and miscellaneous income, including indirect support costs of $45.6 million annually;

(b) Funding of six staff posts (2 international) by UNESCO and four posts (2 international, 2 area staff posts) by WHO as part of their technical assistance to the education and health programmes.

38. Voluntary contributions from Member States, multilateral institutions, international financial institutions, the private sector and high wealth individuals will be requested to cover approximately 93 per cent of total budget estimates for 2018–2019 across the Agency's three funding portals.

39. The unpredictability of the Agency's funding, combined with the lack of working capital results in the inability to plan programmatic/operational change with certainty. The majority of the Agency's costs are staff costs which are fixed. Any change to the workforce through retraining and redeployment, or through termination or separation, requires additional funding.

Chapter II

Subprogramme 1: Palestine refugee rights under international law are protected and promoted

A. Current operations

40. All persons have fundamental rights which derive from the inherent dignity of the human person. The primary responsibility to respect, protect and fulfil those rights lies with States. The Agency's role is to contribute to the protection of Palestine refugees when that responsibility is not fulfilled. Refugees are entitled to international protection which both reflects and aims to respond to their specific situation.

41. For UNRWA, protection is what the Agency does to safeguard and advance the rights of Palestine refugees under international law. UNRWA applies a holistic approach to protection, which includes an internal dimension, focused on realizing the rights of Palestine refugees in and through the Agency's service delivery programmes, and an external dimension, involving engagement with relevant duty bearers to ensure respect for Palestine refugees' rights. Human rights and human development reinforce one another: expanding people's capabilities and protecting their rights go hand in hand.

42. In recent years, UNRWA has significantly strengthened its protection response in view of the increasing challenges faced by Palestine refugees. In January 2016 a new protection programme was established at UNRWA headquarters to provide strategic direction of, and coordination to, the implementation of the diverse protection activities throughout the Agency.

43. The Agency has adopted a gender equality strategy (2016–2021), a disability policy and disability inclusion guidelines, and a child protection framework.

44. Programmatically, UNRWA has focused on violence, abuse, neglect and exploitation in Palestine refugee communities. In order to respond to those protection issues, UNRWA is strengthening its protection response to such cases, including through the establishment of case management and referral systems in all field offices. Protection staff, in coordination with social workers, school counsellors and health staff, identify and help to respond on a daily basis to protection cases affecting at-risk groups, in particular women, children and persons with disabilities

45. UNRWA, furthermore, provides direct and indirect social services that aim to support the protection, social inclusion and empowerment of vulnerable groups experiencing a range of complex individual, social and economic hardships. Those services are carried out by UNRWA social workers both through the engagement of individuals and families in the home and through support provided to the community.

B. Constraints and challenges

46. Palestine refugees are facing a profound protection crisis owing to the spread of conflict and violence, protracted displacement and the Israeli occupation. UNRWA has to contend with a multitude of protection issues that in turn require different types of responses. A key obstacle in that regard is the lack of respect by duty bearers for international law.

47. While UNRWA has continued to strengthen its capacity to deliver on its protection mandate, it still lacks the competencies and specialized skills to do so.

48. UNRWA currently does not have an agency-wide approach to social work and case management to properly address those risks. Driven by donor-funded projects, each field has, nevertheless, established training for social work and case management that is implemented by different categories of refugee social services staffing and supported by a variety of donors. Reforms are expected to be rolled out in 2018 and 2019, which will transform the Agency's social work programme in such a way that will make it possible to utilize its social worker workforce more effectively (see "expected accomplishments" below).

C. Expected accomplishments

49. UNRWA will develop its protection approach further, bringing its protection priorities into greater focus and giving increased coherence and consistency to its protection activities.

50. UNRWA will address protection challenges that arise from its programme service delivery in education, health, relief and social services, microfinance and infrastructure and camp improvement. In all field offices, the Agency is working to ensure that its assistance and service delivery is carried out in accordance with protection mainstreaming principles. UNRWA will continue to train and provide support to programme staff with practical tools to ensure that protection is incorporated in all activities and to measure the alignment of programmes with protection principles by conducting biannual protection audits and measuring the level of implementation of recommendations contained in previous audits.

51. UNRWA aims to shortly include a gender marker in its budget systems that will enable it to identify the financial resources being applied to different levels/forms of gender-sensitive programming.

52. UNRWA will also start to implement its child protection framework in order to provide coherence and strengthen its approach to child protection activities. In addition, the Agency will commence the dissemination, implementation and monitoring of its disability inclusion guidelines to ensure that the needs of persons with disabilities are adequately identified and responded to throughout its programmes and service delivery, in accordance with the Convention on the Rights of Persons with Disabilities.

53. UNRWA is currently establishing referral systems in all field offices and rolling out a professional case management approach aimed at streamlining the Agency-wide case management and referral mechanisms. Specifically in relation to gender-based violence, UNRWA will continue to implement its multisectoral approach to responding to and preventing such violence. It will ensure that survivors are referred to the Agency's assistance programmes or to external service providers when required.

54. UNRWA will promote, in coordination with its partners, respect for the rights of Palestine refugees under international human rights, humanitarian and refugee law. Within its existing capacity, UNRWA will monitor, report and engage in private and public advocacy on incidents of alleged violations of the rights of Palestine refugees. It will also focus on thematic concerns, such as attacks on schools and education. UNRWA will also use public advocacy, including media and strategic communications, to raise awareness of protection concerns affecting Palestine refugees and will make use of available international mechanisms, in particular international human rights.

55. UNRWA aims to strengthen its social services programme by professionalizing its social work force and standardizing its approach to social work. That effort

includes the development of an institutional social work guidance and framework for operationalizing a generalist approach to social work; the introduction of a capacity-development programme; the development of a partner referral system for refugees to access services that UNRWA is not able to provide and the institutionalization of social work in functions and staffing structure.

56. UNRWA will continue to provide support to the Rehabilitation Centre for the Visually Impaired, which is the sole institution in the Gaza Strip that ensures that education and rehabilitation are available for visually impaired children, including those affected by recent armed conflict, in kindergarten and school grades 1 to 6.

57. UNRWA will leverage existing partnerships, including the Office of the United Nations High Commissioner for Human Rights, the United Nations Children's Fund (UNICEF) and the International Committee for the Red Cross, on protection issues. It will also seek and formalize other partnerships as a means to strengthen its own role in protection and better ensure protection of Palestine refugees.

58. The strategic framework 2018–2019 reflects the following expected accomplishments:

(a) Duty bearers are held accountable for violations of international law through monitoring, reporting and advocacy;

(b) Vulnerable and at-risk individuals and communities benefit from protection responses.

D. Financial resources

Table 10

Palestine refugee rights under international law are protected and promoted

Resource requirements by objective

(Cash and in kind, thousands of United States dollars)

	2018 estimate	*2019 estimate*
A. Duty bearers are held accountable for violations of international law through monitoring, reporting and advocacy	2 346	2 395
B. Vulnerable and at-risk individuals and communities benefit from protection responses	5 225	5 228
Total regular budget	**7 571**	**7 623**
Project budget	**5 042**	**5 669**
Grand total	**12 613**	**13 292**

Chapter III

Subprogramme 2: Palestine refugee health is protected and the disease burden is reduced

A. Current operations

59. Health is a state of complete physical, mental and social well-being, not merely the absence of disease or infirmity. The right to health is a fundamental human right, to which all individuals are entitled. It is also an instrumental element of human development. Health is at the heart of a range of interconnected achievements and deprivations. In addition to the widely recognized link between health and economic growth, achievements in health are instrumental to education outcomes, cognitive development, employment opportunities and income-earning potential. Illness, malnourishment, mental illness and other deprivations in health often lead to a reduction in other capabilities.

60. UNRWA contributes towards realizing the right to health for Palestine refugees by providing quality and universally accessible primary health care. In 2016 about 3.5 million persons, equivalent to almost 60 per cent of the total registered population, accessed UNRWA health services. The Agency delivers those services primarily through 143 primary health-care facilities, utilizing a workforce of more than 3,300 health staff members. Among the Palestine refugee population, mothers, young children and persons of different age groups and those with non-communicable diseases use the Agency's services the most.

61. In 2011 UNRWA began a reform process based on a family health team approach and the development of electronic medical records (eHealth). As a result of the reforms, average daily consultations per doctor have also decreased from 105 in 2012 to 85 in 2016 (the medium-term strategy target is 75 by 2021). Antibiotic prescription rates were reduced from 24.5 per cent to 21.2 per cent (not including the Syrian Arab Republic) in 2016. UNRWA accomplished this without adding more health staff.

62. In 2015 UNRWA centralized the procurement of the majority of essential medications. The annual amount spent on medications is approximately $18 million. The improved centralized procurement secured savings that enabled UNRWA to procure sufficient supplies for a six-month buffer stock of essential medicines. UNRWA experienced almost no stock ruptures on essential medications in 2016.

63. In addition to its primary health-care subprogramme, UNRWA administers a hospitalization programme. The majority of services are provided by public or private hospitals through different means of contracts. Unlike primary health services, hospitalization support differs from field to field, depending on local circumstances. About 102,000 hospital admissions were supported in 2016. That figure represents support being provided to only 2.9 per cent of the served refugee population, whereas regional averages suggest that 13 per cent of the population will receive secondary or tertiary health care in a hospital every year. UNRWA has been undertaking efforts to further shift the focus of its scarce financial resources towards the most vulnerable refugees.

B. Constraints and challenges

64. The Palestine refugee population is marked by an increasingly aging population and increasing prevalence of non-communicable diseases. The annual increase in the number of patients with such diseases is about 3 to 5 per cent; in

2016 the number of patients with non-communicable diseases exceeded 250,000. People living with diabetes or hypertension will remain in UNRWA care, which requires costly treatment. The cost to care for non-communicable diseases accounts for about 50 per cent of all primary health-care expenditure (including medicines).

65. Physical violence and abuse present serious health problems for many Palestine refugees. In addition, psychosocial and mental health problems are rising, in particular in those communities affected by death, disease, displacement and loss of assets as a result of war and conflict.

66. Refugees face protection challenges in accessing health care as a result of violence and owing to geographical shifts in the refugee population away from established health centres.

67. UNRWA has faced a number of challenges in implementing an electronic health information management system (eHealth), including lack of funding, inadequate information and communications technology infrastructure in many health centres, and building capacities for all users to move to an electronic system.

68. Many health facilities in need of maintenance were neglected because of funding constraints. Resource constraints restrict the Agency's ability to conduct the necessary assessments to ensure that facilities are capable of resisting seismic activities, are environmentally sound, make possible efficient delivery of services and are safe for use.

69. Furthermore, sanitation-related communicable diseases are still a problem in some Palestine refugee camps, as access to potable water and sanitation is worsening throughout UNRWA fields of operations, in particular in conflict contexts.

70. Increase in the hospitalization budget is expected in Lebanon owing to an increase in population and the consequent increase in the burden of non-communicable diseases. The vulnerability of the Palestinian population is growing in Lebanon, while the support provided by the host country is very limited or completely absent. Efforts have been made to contain the expenditure but costs continue to rise largely owing to increases in hospital prices as a result of higher demand caused by the arrival of Syrian refugees.

71. Gaza and the Syrian Arab Republic remain at risk in terms of fragile public health, which may increase the number of patients in the Agency's health-care system. Demands on hospitalization are very high in Gaza and the Syrian Arab Republic owing to the emergency situation in the field offices located there.

C. Expected accomplishments

72. UNRWA will continue to provide universally accessible quality primary health care. The Agency will maximize the impact of the family health team reforms to promote the proper diagnosis and treatment of key diseases and conditions and to reduce the illness duration and incidence of often life-threatening complications. Such care will also seek to address the promotion of preventive factors contributing to psychosocial well-being and behavioural risk factors leading to non-communicable diseases throughout the life cycle of Palestine refugees. Cross-cutting services will include preventive oral health care. Through training, capacity-building and partnerships, UNRWA will ensure that medical and paramedical members of the family health team are better able to identify mental disorders and psychosocial problems.

73. Targeted health promotion and protection services will complement the family health team approach. Outreach-based health education and promotion campaigns

and population-based health screenings for diabetes and hypertension will be a key feature.

74. The school health programme will continue to enhance behavioural change from an early age, mainly through the formulation of the school health policy.

75. eHealth will facilitate service delivery through the proper monitoring of patient demographic and clinical information and the issuance of related reports, such as cohort analysis on treatment outcomes.

76. UNRWA will continue to upgrade its health centres under the family health team approach to consider the spatial requirements of the newly introduced approach, including patient flow, health team compositions, zoning and adjacencies. UNRWA will promote accessibility for refugees with disabilities and gender requirements and will support the "green approach", which is expected to improve the comfort of refugees inside health centres.

77. With the increasing demand in hospitalization caseloads throughout all five fields of UNRWA operations, hospitalization demand will continue to outstrip supply capacities. UNRWA will continue efforts to focus on and accord highest priority to those with life-threatening illnesses but who lack the financial assets or insurance coverage to attain the necessary services.

78. UNRWA will address the impact of the restrictions on access to health care. In circumstances where refugees do not have access to health services, the Agency will strive to reach them with its own services, for example, through mobile health clinics.

79. Collaboration with local, national and international partners is critical to facilitate the level of access to comprehensive care that Palestine refugees need. UNRWA will continue to collaborate with long-standing historical partners, in particular WHO, the United Nations Population Fund and UNICEF, to improve the Agency's technical capacity in health services. It will also continue to partner with local and global partners, such as the World Diabetes Foundation and others, in the delivery of its strategic objectives.

80. The strategic framework reflects the following expected accomplishments:

(a) People-centred primary health-care system using the family health team model;

(b) Efficient hospital support services provided.

D. Financial resources

Table 11

Palestine refugee health is protected and disease burden is reduced

Resource requirements by objective

(Cash and in kind, thousands of United States dollars)

	2018 estimate	*2019 estimate*
A. People-centred primary health-care system using the family health team model	90 104	91 676
B. Efficient hospital support services provided	29 515	29 563
Total regular budget	**119 619**	**121 239**
Project budget	**29 524**	**12 562**
Grand total	**149 143**	**133 801**

Chapter IV

Subprogramme 3: School-age children complete quality, equitable and inclusive basic education

A. Current operations

81. Education is a social process that contributes to the development of current and future generations; develops and applies new knowledge; serves to reinforce and/or change social and cultural norms and practices; and contributes to identity-building. Education is a fundamental human right and plays a key role in all aspects of human development. It also provides people with the social and cognitive skills they can use to support themselves financially through paid employment later in life.

82. UNRWA provides education services to over half a million Palestine refugee children through 702 schools. The Agency's education programme is its largest, both in terms of staff and budgetary allocation, with 53 per cent of the Agency's programme budget expenditure. The UNRWA education system provides basic education through 9 years (10 years in Jordan) of free primary and preparatory education throughout its five fields of operations, as well as secondary schooling in Lebanon.

83. The number of children attending UNRWA schools has been stable for many years in most fields. The Lebanon and Jordan fields have absorbed additional students displaced from the Syrian Arab Republic. More significantly, however, in the Gaza Strip, there has been a progressive increase in student numbers, with nearly 90 per cent of the school-aged refugee population attending UNRWA schools. From 2002 to 2016, the number of children in UNRWA schools in Gaza increased from 189,317 to 262,112.

84. In 2011 the UNRWA education programme began the design and implementation of a major Agency-wide five-year reform to ensure that students were developing the types of skills necessary to achieve their full potential and contribute positively to the development of their society and the global community.

85. Universal education indicators were developed to enable the Agency to monitor how the education programme impacts the learning outcomes of its students. That effort includes perceptional indicators to measure the alignment of teaching and learning practices with the education reform, the prevalence of human rights culture (as defined by human rights, conflict resolution and tolerance) policy and practices at the school level, in addition to indicators measuring enrolment, retention and the overall efficiency of the UNRWA education system.

86. UNRWA has developed an Agency-wide education management information system, which was launched throughout all fields in the 2016/2017 school year and will be fully operational (the three modules — students, staffing and premises) in the 2017/2018 school year.

87. UNRWA has become a pioneer in emergency education programming. A multi-stranded response to the emergency in the Syrian Arab Republic has been implemented for children whose education has been impacted by the conflict in that country, Lebanon and Jordan. That approach encompasses alternative learning spaces and the use of self-learning materials; psychosocial support through counsellors; and security and survival skills training.

88. The UNRWA *Annual Operational Reports* of 2015 and 2016, together with other reports of, for example, the World Bank, evidence good results in terms of the

quality, inclusiveness and equity of the Agency's education programme. In the 2015/2016 school year, in particular, UNRWA witnessed a marked decrease in Agency-wide curriculum dropout rates, overall improvement in student achievement in monitoring learning achievements tests conducted in 2016, and strengthened textbook reviews.

B. Constraints and challenges

89. Teaching and learning practices tend to be teacher-fronted, with limited diversity in practices to support and encourage the learning of all students.

90. Educational infrastructure has suffered from a lack of resources and increasing demographic pressures, with over 50 per cent of UNRWA schools running double shifts. In addition, UNRWA is still using several non-purpose-built schools.

91. Student grade repetition is still a limitation with fields adhering to host country repetition rules.

92. Prolonged political, social and economic instability, combined with repeated and widespread violations of human rights, continues to have significant adverse effects upon the psychosocial well-being of children in UNRWA schools.

93. Financial constraints will continue to be a major challenge in ensuring that the high numbers of students in UNRWA classrooms do not have a detrimental impact on the quality of education. For financial reasons, the Agency has had to adopt class formation standards that cap the number of students in each purpose-built classroom at 50. For 2016/2017, UNRWA was accommodating 515,260 children in its schools. The average class size was 37.5 children per class. By way of comparison, in 2011/2012, UNRWA had an average class size of 35.6 and, had the Agency maintained that average, in the 2016/2017 scholastic year, it would have required at least 700 more teachers (approximately $8.5 million annual cost).

C. Expected accomplishments

94. UNRWA will remain committed to its education strategic objective of quality, inclusive and equitable education. It will work towards ensuring that its schools and classrooms are supportive to all children and, as such, promote their psychosocial well-being. It will build the capacity of teachers, school counsellors and the education system as a whole to better respond to children's psychosocial needs. It will establish support systems to assess and address those needs and will work with other sectors within the Agency to ensure that support and referral systems are in place.

95. The UNRWA education programme will continue seeking to close the gap in student achievement by continuing to emphasize enhancing the professionalization of teachers in UNRWA schools; further embedding the adoption of inclusive education approaches which enhance the capacity of the education staff to develop behaviour that promotes the psychosocial well-being of their students; enriching curricula to ensure that they develop students' skills; building competences and attitudes that reflect United Nations values; and developing children's knowledge and understanding of human rights concepts, roles and responsibilities through the human rights conflict resolution and tolerance programme.

96. There will be increased focus on students who require targeted interventions to achieve their potential in education. That effort includes students with disabilities, children from poor backgrounds, those with additional psychosocial needs, students

who are underperforming in standardized tests, children who have experienced abuse, physical violence and exploitation, and children with severe diseases. Violence both in and around schools will continue to be addressed comprehensively, in a unified way, as a priority.

97. UNRWA will seek to improve the infrastructure of its schools to ensure that they help to facilitate quality, equity and inclusiveness, providing an environment conducive to learning, with accessibility for all refugees, including those with disabilities. UNRWA will gradually streamline a green approach to the design and upgrade of its facilities to reduce running costs and minimize the negative effects of energy consumed in the operation of those facilities on the environment.

98. UNRWA will continue to provide education services in extremely challenging environments. As part of its Syrian Arab Republic response, UNRWA will continue to implement a coherent Agency-wide education in emergencies approach as described above. The UNRWA education programme has benefited invaluably from the Agency's partnership and collaboration with UNESCO since its foundation. UNRWA will look into facilitating access to early childhood education through strategic partnerships. The Agency will continue to work closely with ministries of education in all fields.

99. The strategic framework reflects the following expected accomplishments:

(a) Quality learning in conducive learning environments for all students;

(b) Inclusive access to basic education is ensured;

(c) Equitable basic education is ensured.

D. Financial resources

Table 12

School-age children complete quality, equitable and inclusive basic education

Resource requirements by objective

(Cash and in kind, thousands of United States dollars)

	2018 estimate	*2019 estimate*
A. Quality learning in conducive learning environments for all students	413 865	428 947
Total regular budget	**413 865**	**428 947**
Project budget	**36 838**	**24 650**
Grand total	**450 703**	**453 597**

Chapter V

Subprogramme 4: Palestine refugee capabilities are strengthened for increased livelihood opportunities

A. Current operations

100. Employment is a fundamental human right and a primary means to mitigate poverty, build human dignity and promote human development and recovery from conflict. UNRWA contributes to Palestine refugee livelihood opportunities in three ways: (a) direct interventions through its programmes; (b) indirectly, through the jobs it creates in its operations, including the staff it employs and the opportunities created in the reconstruction sector through its reconstruction projects; and (c) by promoting and supporting Palestine refugees' access to economic opportunities through advocacy with host Governments and local economic actors.

101. UNRWA provides guidance counselling, labour-market studies and awareness programmes for employment after school and operates eight technical and vocational education and training centres that graduated about 28,000 students from 2009 to 2016. The technical and vocational education and training programme provides UNRWA students with comparative advantage in finding employment and plays an important role as part of early recovery in conflict contexts.

102. UNRWA offers microfinance services through two different channels: the microfinance programme and the microcredit community support programme. Those initiatives aim to increase the individual household assets of vulnerable Palestine refugees and to ensure that Palestine refugees, including women and the abject poor, have access to microcredit.

103. The microfinance programme provides sustainable income-generation opportunities for Palestine refugees and other poor or marginalized groups in all UNRWA fields of operations except Lebanon. It extends credit and complementary financial services to households, entrepreneurs and small business owners. Such investments create and sustain jobs, reduce poverty and empower the Agency's clients, in particular women. From 2012 to 2016, 171,752 loans were made, with a total value of $179 million.

104. For high achievers unable to afford tertiary education, UNRWA provides university scholarships throughout all fields with project funding.

105. Each field has established tailored economic opportunity portfolios specific to its context to enhance livelihood opportunities for Palestine refugees.

106. Approximately one fifth of the Palestine refugee population lives in 58 camps in the five fields of operations. The infrastructure and camp improvement programme, following a participatory needs assessment through urban planning, attempts to reform the space and improve the setting and environment in which refugees live. With guidance provided by UNRWA, camp populations develop camp improvement plans comprising an urban improvement plan and a community development plan.

107. Camp improvement plans have helped to empower camp communities as different local groups actively articulate their needs, better understand the overall challenges and different demands, develop visions, find compromises through discussion and negotiation and develop local capacities.

108. UNRWA is one of the largest employers of Palestine refugees in the Near East. Providing employment is not a strategic objective in and of itself. However, it is important to recognize that the salaries paid by UNRWA do not only ensure

continued quality of services to refugees, they also represent an injection of income into refugee and other local communities. By employing 30,000 employees (almost half of whom are women), approximately 150,000 people benefit directly from the Agency's salaries and many more people benefit indirectly.

B. Constraints and challenges

109. With unemployment rising, economic engagement for Palestine refugees is of concern throughout all fields in UNRWA. In particular, high rates of youth unemployment, which especially affects female youth, and low labour force participation rates for women, ranging from 10 to 18 per cent throughout UNRWA fields, will remain the most significant livelihood challenge for Palestine refugees.

110. Despite refugees having strong human capital as a result of the education and health structures provided by UNRWA and host authorities, the majority of refugees do not have access to the full range of assets — social, natural, physical and financial capital — required for sustainable livelihoods, including those required to develop coping strategies and build resilience.

C. Expected accomplishments

111. UNRWA will focus on building the capabilities of refugees and on improving access to livelihood opportunities. It will do so by strengthening the capacities of refugees through training and other educational opportunities, enabling access to financial services, creating employment opportunities and advocating for refugees' legal right to work, where that right is restricted.

112. The Agency's livelihood interventions will target refugees who are most in need, in particular youth and women who have high unemployment rates throughout all UNRWA fields. UNRWA will focus in particular on promoting employment and income-generating opportunities for refugees in conflict and post-conflict settings.

113. UNRWA will continue prioritizing camps for improvement to enhance the communities' capacities and assets.

114. Participatory urban planning is used to further enhance the partnership and trust between UNRWA and the refugee communities. UNRWA will strongly emphasize representative participation, including all social groups, focusing in particular on the equal inclusion of vulnerable groups such as women, youth or people with disabilities. Furthermore, camp improvement plans strengthen refugees' capabilities for increased livelihood opportunities. They have led to numerous initiatives that address the communities' socioeconomic needs through training, job creation (construction projects and others) and on-the-job activities (e.g., greening the camp and conducting surveys).

115. UNRWA will aim to increase the number of technical and vocational education and training graduates and work towards greater diversity and flexibility in the courses offered and align them more effectively with local market demand. It will provide greater access to such education for vulnerable youth, improve the gender dimension of programming and enrolment, enhance quality and labour market relevance, and ensure overall programme sustainability and effectiveness. Where possible, co-financing will be introduced with the goal of generating a broader resource base for the expansion of technical and vocational education and training placements and opportunities.

116. UNRWA will continue to review its science education facilities in the West Bank and Jordan and their provision of teacher training in order to assess their contribution to the strategic objectives of the education programme and to those of the Agency as a whole.

117. UNRWA will continue its successful efforts during the biennium 2016–2017 to reduce the microfinance programme's portfolio at risk and to increase the percentage of Palestine refugees being served. UNRWA aims to strengthen the contribution made by the microfinance programme in the Syrian Arab Republic and Gaza. The Agency also aims to maximize the use of a new and innovative electronic payment system being developed in 2017.

118. UNRWA will assess the effectiveness of the Employment Services Centre model used in Lebanon and of job creation programmes.

119. UNRWA will continue efforts to move towards gender parity in management positions. It will aim to improve recruitment practices by eliminating unintended obstacles for women to be successful and establish processes to support capacity strengthening of women.

120. UNRWA will continue to enhance opportunities in the delivery of livelihood support through its ongoing collaborations with partners, including the Fund for International Development of the Organization of the Petroleum Exporting Countries, the Palestine Monetary Authority, the German Agency for International Cooperation and relevant members of United Nations country teams (including the International Labour Organization). The Agency will also seek to establish a partnership with the World Bank and the United Nations Development Programme on promoting and developing economic engagement opportunities. Engagement with the United Nations Entity for Gender Equality and the Empowerment of Women will be sought in the area of women's economic empowerment.

121. New partnerships at the local level within fields will look to the private sector and business community with the aim of increasing access to labour market information and expanding vocational training.

122. The strategic framework reflects the following expected accomplishments:

(a) Palestine refugee capabilities are strengthened;

(b) Refugees have improved access to livelihood opportunities.

D. Financial resources

Table 13
Palestine refugee capabilities are strengthened for increased livelihood opportunities

Resource requirements by objective
(Cash and in kind, thousands of United States dollars)

	2018 estimate	*2019 estimate*
A. Palestine refugee capabilities are strengthened	28 737	29 223
Total regular budget	**28 737**	**29 223**
Project budget	**10 384**	**10 100**
Grand total	**39 121**	**39 323**

Chapter VI

Subprogramme 5: Palestine refugees are able to meet their basic human needs of food, shelter and environmental health

A. Current operations

123. Safeguarding the right to food and improving the nutritional status of individuals and families helps to ensure the absence of malnutrition and child stunting, and enables human productive capacities to be expended on development needs such as education and livelihoods.

124. UNRWA is one of a limited number of actors that provides food or cash assistance directly to Palestine refugees living in poverty. It does so with resources provided under its emergency programme and social safety net programme. While UNRWA maintains its previous status-based special hardship caseload in the Syrian Arab Republic, under the current crisis conditions, those persons living in poverty benefit from the emergency programme's universal food and cash assistance.

125. In April 2016 UNRWA transitioned to a cash-based transfer approach in Jordan, the West Bank and Lebanon. Regarded as a more effective way to extend basic assistance, this new distribution modality provides recipients with greater freedom of choice and access to a wider range of healthy food options, while reducing administrative and distribution costs associated with the delivery of in-kind food assistance. Currently, e-card assistance serves a caseload of over 156,000 social safety net programme recipients throughout the three fields. In Gaza, UNRWA aims to provide food parcels containing 80 per cent of caloric needs to all abject poor refugees, defined as those who cannot meet their food consumption needs; however, the number of beneficiaries is dependent on funding received. At present, both the social safety net programme and the emergency programme remain severely underfunded and locked into a food distribution programme. In the Syrian Arab Republic, the emergency programme offers a combination of food and cash assistance, providing critical, adaptive and immediate support to conflict-affected Palestine refugees. Cash assistance allows UNRWA to reach multiple locations in the Syrian Arab Republic through a network of banks and financial institutions, while in-kind food assistance remains a priority operation in the context of dysfunctional and sometimes hard-to-reach markets.

126. In shelter rehabilitation projects, UNRWA assesses and prioritizes substandard shelters that are structurally unsafe, built with temporary materials such as asbestos and zinc, overcrowded and lack gender separation.

127. During conflict and emergency situations, the Agency provides temporary shelters to refugees and their families in UNRWA facilities. However, considering the delivery of education and other services to refugees, the Agency is not in a position to continue using UNRWA facilities for protracted periods. In post-conflict situations, UNRWA mobilizes resources and has, on occasion, taken a central role in major construction/reconstruction of neighbourhoods/camps and appealed to other actors and stakeholders to provide assistance and lead in the reconstruction process.

128. UNRWA has made progress over the past years in providing suitable infrastructure and environmental health services in the refugee camps and taken responsibility for planning, designing and constructing infrastructure projects (sewerage, drainage and water supply networks).

129. Those efforts have mitigated environmental risks and improved the environmental conditions for refugees. Storm-water flooding in camps and inside

UNRWA premises, and the mixing of sewage with storm water, have been reduced. As a result, pollution and the risk of the outbreak of parasitic and infectious diseases have been reduced and the general condition of roads and streets has improved.

130. UNRWA does not manage or administer official refugee camps. Provision of public services is the responsibility of host authorities. Nevertheless, UNRWA offers support where necessary, appropriate and possible.

B. Constraints and challenges

131. Poverty among Palestine refugees remains high and is growing and deepening. At the same time, the assistance provided by UNRWA is far from sufficient and poor households must resort to other sources to supplement what the Agency makes available. Many must resort to coping strategies such as selling belongings or eating less. Others resort to eating poor quality food, which has a number of health implications, including diabetes and obesity. Moreover, in the fields that provide cash-based transfers, the transfer value is not indexed to inflation and does not account for variations in the consumer price index.

132. Owing to poverty, unemployment, increased population density and a deteriorating built environment, there is a shortage of adequate housing in camps. That state of affairs is combined with a lack of regulatory frameworks and planning, resulting in a fast rate of haphazard urbanization.

133. The needs of refugees living in substandard shelters are growing. The majority of shelters have asbestos roofing, which constitutes a health threat.

134. Achieving progress in rehabilitating shelters and meeting annual targets has been challenging owing to financial constraints and conflict.

135. The water supply service is generally inadequate in terms of both quality and quantity of water, pressure and continuity. Several reasons account for the inadequacy, such as increasing overcrowdedness; ageing networks; the application of informal technical measures (private pumps and additional connections); and the lack of available water resources. As a result, refugees in many camps rely on private vendors for drinking water that is difficult for the most impoverished refugees to afford.

136. The situation with regard to wastewater is problematic owing to insufficient networks (capacities and physical condition); lack of planning and design of some existing networks; lack of treatment of wastewater (discharge into bodies of open water or environs); and standing wastewater near camps, which provides breeding grounds for mosquitoes and threatens the safety of children and the health of the entire community both in refugee camps and the surrounding communities.

137. Solid waste is at times inappropriately collected and disposed of at dumping sites outside the camps. The frequency of collection is often insufficient owing to the lack of staff and appropriate equipment.

138. In addition to the general problems regarding environmental health, infrastructure systems have been affected by emergencies and disasters. The repeated wars and conflicts in Gaza, the West Bank, Lebanon and the Syrian Arab Republic have led to camp infrastructure being damaged or destroyed. Furthermore, camps and their infrastructure have at times been affected by natural disasters such as flooding.

C. Expected accomplishments

139. In the provision of food assistance, UNRWA will aim to mobilize sufficient resources to ensure that direct assistance to the poor and vulnerable enrolled in the social safety net programme is equivalent to at least 20 per cent of the abject poverty line in the Lebanon and Jordan fields. UNRWA also seeks to expand the programme to include refugees who do not have access to national assistance programmes by increasing the caseload in Lebanon to cover 50 per cent of the estimated poor (i.e., an estimated 85,000 persons) and by increasing coverage among the former Gazans in Jordan. In addition, in order to ensure sufficient programmatic impact for eligible refugees, UNRWA proposes to analyse and adjust transfer values to account for inflation and variations in the consumer price indices at least every two years.

140. During the medium-term strategy period (2016–2021), the Agency objective is to reduce the number of shelters in need of rehabilitation by about 20 per cent or more of the original number of shelters in need of rehabilitation in 2014. Only a small percentage of that target was achieved in 2016 owing to insufficient funding for shelter rehabilitation projects. The Agency will seek to raise funds to rehabilitate 3,250 shelters,[3] together with preparation of one camp improvement plan in each field during an 18-month period.

141. In emergencies, the Agency will continue to provide humanitarian assistance to refugees, including the most vulnerable and those who have been displaced internally or to other UNRWA fields. Strategic responses to emergencies will include advocacy to host authorities, agencies of the United Nations system and donors on the plight of affected Palestine refugees; availability of its premises to shelter and protect displaced civilians during armed conflict; promotion of partnerships with donors, NGOs and others; and close coordination with the United Nations Humanitarian Coordinator.

142. UNRWA seeks to improve the built environment by developing solutions in partnership with refugees and relevant actors to provide sound infrastructure, including environmental health services and infrastructure projects in the area of water supply, sewerage systems, drainage systems and solid waste collection, as well as disposal.

143. UNRWA seeks to ensure basic needs of environmental health and environmental infrastructure, explore opportunities for greening, such as rainwater harvesting systems and water reuse, and continue to monitor the quality and quantity of the water provided to ensure that the refugees' basic needs are met.

144. UNRWA will seek partnerships to consolidate its efforts in helping Palestine refugees meet their basic human needs of food, shelter and environmental health.

145. UNRWA will work actively with host Governments and with individual municipalities to ensure maximum provision of municipal services to camp communities.

146. The strategic framework reflects the following expected accomplishments:

(a) Abject poor refugees are better able to meet their food needs;

(b) Improve living conditions for poor refugees;

(c) Environmental health standards are met.

[3] Jordan: 750; Lebanon: 450; Gaza: 1,400; West Bank: 650.

D. Financial resources

Table 14

Palestine refugees are able to meet their basic human needs of food, shelter and environmental health

Resource requirements by objective

(Cash and in kind, thousands of United States dollars)

	2018 estimate	*2019 estimate*
A. Abject poor refugees are better able to meet their food needs	36 127	36 235
B. Improve living conditions for poor refugees	308	319
C. Environmental health standards are met	20 508	20 917
Total regular budget	**56 943**	**57 471**
Project budget	**259 994**	**235 809**
Grand total	**316 937**	**293 280**

Chapter VII

Subprogramme 6: Effective and efficient governance and support

A. Management services goal

147. The aim of subprogramme 6 is to promote and sustain the best possible standards of management, enhance stakeholders' relationships and make possible the delivery of quality programmes that help to achieve the sustainable development of Palestine refugees. In addition, the subprogramme aims to ensure that the systems, structures and procedures are in place to achieve the foregoing objectives and effectively manage and mitigate risks that will confront the Agency.

148. Subprogramme 6 also includes the management elements of the Agency's core programmes, namely, the functions that provide strategic leadership, policy development, quality assurance and monitoring.

149. UNRWA has identified three principal strategic enterprise risks: firstly, the risk that the Agency will have insufficient resources; secondly, the risk of the dramatic and unforeseen changes in the operating environment that change refugee needs or the Agency's ability to operate; and thirdly, the risk associated with such changes and developments.

150. UNRWA, through the framework of risk management, will assess the aforementioned risks in terms of likelihood and magnitude of impact, determine a response strategy and monitor progress.

151. As part of the response strategy, UNRWA will (a) build an ambitious fundraising and partnership approach, (b) strengthen management systems for maximum impact and effective response and (c) foster and institute a culture of partnership with refugees and staff.

B. Building an ambitious relationship and fundraising approach

152. UNRWA has secured a greater diversification of the donor base to include more contributions from Arab States, emerging markets and other non-traditional donors, including the private sector. Nonetheless, the Agency remains reliant on a small group of donors. As described in chapter I, the Agency, through the Secretary-General of the United Nations and the General Assembly, is seeking out a decisive means of securing long-term financial sustainability.

C. Strengthening management systems

153. UNRWA will build on sound management practices and programme reform efforts already embarked upon in order to continue providing vital quality services cost-effectively and will ensure that refugees benefit to the maximum extent possible from additional opportunities and services provided by others.

154. UNRWA is committed to management of its costs in a way that retains the Agency's capacity to achieve its strategic objectives with maximum impact of its resources without compromising on essential services.

155. UNRWA service delivery and the staff required to carry it out are at once the largest driver of the Agency's costs and its biggest asset. Through programme reforms such as those in the education and health programmes, UNRWA will produce a greater quality impact without significant increases in its workforce. On

the basis of projected needs, some increase in the UNRWA workforce will be required, but the Agency will seek to limit that increase to the education sector in Gaza field, where the number of children seeking admission to UNRWA schools is expected to continue to grow (a pattern that is not expected in other fields). UNRWA will continue current efforts to reduce the number of administrative and clerical staff, offsetting some of the increase required in education staff in the Gaza field.

156. UNRWA will continue to adhere to the Agency's pay policy. That policy dictates that the Agency will take into account the relationship between UNRWA compensation and that of the Government of the host country. In doing so, UNRWA will endeavour to ensure that compensation, including salaries, offered to the Agency's workforce is not significantly above or below the host country comparator.

157. To strengthen its accountability in meeting its targets on gender equality and women's empowerment, UNRWA participates in the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women, the system-wide gender mainstreaming accountability framework.

158. In recent years UNRWA has been able to respond efficiently to the emergency situation in Gaza and the Syrian Arab Republic. Further work will be carried out in the biennium to strengthen the Agency's operational structures. Systems and procedures are in place so that the Agency is prepared and ready to respond to emergencies when they arise.

159. UNRWA will ensure that it operates in full compliance with its regulatory framework, applicable international law and full adherence to the humanitarian principles of humanity, neutrality, impartiality and independence. The Agency will conduct regular inspections of facilities and make certain that inspection and investigation systems are in place to ensure adherence to that commitment. UNRWA will further develop and implement internal oversight workplans that address enterprise risk and therefore further the Agency's ability to achieve its strategic objectives. Despite the fact that the Agency has strong risk management and oversight systems, donors continue to impress upon UNRWA the need to further strengthen its structures, systems, procedures and capacities, in particular, but not exclusively, in relation to investigation of allegations of misconduct. UNRWA has built into its programme budget additional resources in relation to investigations.

D. Financial resources

Table 15
Effective and efficient governance and support

Resource requirements by objective
(Cash and in kind, thousands of United States dollars)

	[illegible]	[illegible]
A. Provision of effective leadership and direction for achieving strategic objectives	91 877	106 510
B. Develop and sustain UNRWA	100 020	100 677
Total regular budget	**191 897**	**207 187**
Project budget	**9 640**	**5 351**
Grand total	**201 537**	**212 538**

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